

Low Income Taxpayer Clinics (LITCs) 2011 Supplemental Issues

Name of Clinic

Reporting Period ☐ Interim Report - January 1 through June 30, 2011 or ☐ Year-End Report - January 1 through December 31, 2011

Report Type ☐ Original Report or ☐ Amended Report

For each column, enter the number of issues worked for the reporting period

Part I. Collection Issues		(i) Interim Report	(ii) Year-End Report
1	Levies		
2	Liens		
3	Payments		
4	Collection Due Process (CDP)		
5	Collection Appeals Process (CAP)		
6	Bankruptcy		
7	Offers in Compromise (OIC)		
8	Installment Agreements (IA)		
9	Currently Not Collectible (CNC)		
10	<i>Total Collection Issues</i>		
Part II. Examination Issues			
11	Earned Income Tax Credit (EITC)		
12	Questionable Tax Return Preparers		
13	Other Correspondence Examinations		
14	Office or Field Examinations (Non-EITC)		
15	Audit Reconsideration		
16	Automated Substitute for Return (ASFR)		
17	Automated Underreporter (AUR)		
18	Amended Returns		
19	<i>Total Examination Issues</i>		
Part III. Miscellaneous Issues			
20	Appeals (not CDP)		
21	Claim for Refund or Request for Abatement		
22	First-Time Homebuyer Credit		
23	Relief from Joint and Several Liability (Innocent Spouse)		
24	Injured Spouse		
25	IRC § 6672 Trust Fund Recovery Penalty		
26	Other Civil Penalties		
27	Identity Theft		
28	Cancellation of Debt (COD)		
29	Individual Taxpayer Identification Numbers (ITINs)		
30	Nonfiler		
31	Determination of Worker Status (Form SS-8/Form 1099 Misc.)		
32	<i>Total Miscellaneous Issues</i>		
Part IV. Other Issues			
33			
34			
35	<i>Total Other Issues (including issues listed on a separate sheet of paper)</i>		
Part V. Total Issues Reported			
36	Enter the total number of issues for each reporting period. Add the amounts reported on lines 10, 19, 32, & 35. Enter the total here and on Form 13424-A, the 2011 Low Income Taxpayer Clinics Interim and Year-End Report, Part II, line 3b.		

Instructions for the 2011 Low Income Taxpayer Clinics (LITC) Supplemental Issues Form

Note: When submitting your Interim or Year-End Report package, this form is part of the Program Narrative.

Under unusual circumstances, clinics may request an extension of time to submit the Interim Report package or the Year-End Report package. Requests for an extension must be submitted in writing by e-mail to the clinic's assigned program analyst prior to the due date of the report. Once received, the analyst will ask the Director of the Low Income Taxpayer Clinic Program to review it and make a determination.

Note: Failure to timely submit required reports to the LITC Program Office may result in freezing of funds, reduction of future funds, or termination of the grant.

Purpose

The Supplemental Issues Form is used by Controversy LITCs to report clinical work on some of the most common tax issues and captures the type of assistance provided to taxpayers.

Note: Interim and Year-End Reports (including the report forms contained in Appendix C) may be released under the Freedom of Information Act (FOIA). In response to a FOIA request, the LITC Program Office may release these reports after appropriate redactions to ensure confidentiality of taxpayer information.

Reporting Requirements

Who should complete the Supplemental Issues Form?

The Supplemental Issues Form is to be completed by any clinic reporting cases in Part II, Controversy Activities of Form 13424-A. This form must be attached to the Low Income Taxpayer Clinic (LITC) Interim and Year-End Report packages for each reporting period.

Reporting period. Check all boxes that apply. LITCs are required to report on clinic activities twice during the grant cycle. The grant cycle is January 1 through December 31 for the year in which a grant award is received. An Interim Report is required for the period January 1 through June 30; the Year-End Report is required for the period of January 1 through December 31.

Interim reporting period. Complete column "i" for the reporting period of January 1 through June 30. In this column, capture all issues currently being worked that were carried over from the previous year and any new issues that were worked January 1 through June 30.

Year-End reporting period. Complete column "ii" reporting issues for the period January 1 through December 31. Column "i" should have the totals previously reported for the interim reporting period and column "ii" will be completed reflecting the total activity that occurred during the reporting period of January 1 through December 31. In this column, capture all issues worked for the year by adding column "i" to the number of new issues worked July 1 through December 31.

Specific Instructions

Parts I, II and III

For each issue listed in Parts I, II, and III, provide the total number of issues worked during the reporting period. Cases can involve more than one issue and each issue that the clinic is actively working should be reported separately.

Example 1: Organization A worked ten cases between January 1 and June 30. Each case has three issues - levy, installment agreement, and nonfiler. To complete this form Organization A would enter "10" on lines 1, 8, and 30.

Example 2: Organization B worked a levy case that developed a CDP issue. The issues in this case would be counted on lines 1 and 4.

Example 3: Organization C worked with a client who needed an installment agreement but also had a lien filed. The client does not have issue with the federal tax lien and the clinic is not actively trying to resolve the lien issue. The installment agreement issue would be counted, however, the lien issue would not.

Parts I. Collection Issues

Counting an Issue. During the course of working a case count each issue once as it is identified and worked.

Line 1. Levies. Report on this line the number of issues worked during the reporting period where you assisted taxpayers with any levy issue, including a notice of intent to levy, getting a release of levy, or getting a return of levied funds.

Line 2. Liens. Report on this line the number of issues worked during the reporting period where you assisted taxpayers with a lien issue, including a notice of lien, a discharge of lien, a subordination of lien, withdrawal of a lien, certificates of non-attachment, or a release of lien.

Line 3. Payments. Report on this line the number of issues during the reporting period where you assisted taxpayers with a payment issue, including a lost payment, tracing a payment, or making a payment.

Line 4. Collection Due Process (CDP). Report on this line the number of issues worked during the reporting period where you assisted taxpayers with a collection due process issue.

Line 5. Collection Appeals Program (CAP). Report on this line the number of issues worked during the reporting period where you assisted taxpayers with any collection appeals issue.

Line 6. Bankruptcy. Report on this line the number of issues worked during the reporting period where you assisted taxpayers with any tax-related bankruptcy issue, including a discharge of bankruptcy or notifying the IRS of bankruptcy status.

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Line 7. Offers in Compromise (OIC). Report on this line the number of issues worked during the reporting period where you assisted taxpayers with an OIC issue, including submission of an OIC, the processing of an OIC or the rejection of an OIC.

Line 8. Installment Agreements (IA). Report on this line the number of issues worked during the reporting period where you assisted taxpayers with an installment agreement issue, including a request for an IA, the denial of an IA, or default of an IA.

Line 9. Currently Not Collectible (CNC). Report on this line the number of issues worked during the reporting period where you assisted taxpayers with a CNC issue, including a request for CNC status or working with the IRS to ensure the account is correctly coded for CNC status.

Line 10. Total Collection Issues. Add lines 1 through 9.

Part II. Examination Issues

Counting an Issue. During the course of working a case, count each issue once as it is identified and worked.

Line 11. Earned Income Tax Credit (EITC). Report on this line the number of issues worked during the reporting period where you assisted taxpayers with an EITC Examination issue (correspondence exam or field exam) including EITC Certification and EITC Recertification issues.

Line 12. Questionable Tax Return Preparer Issues. Report on this line the number of issues worked during the period where you provided assistance to taxpayers as a result of the practices by questionable tax return preparers.

Line 13. Other Correspondence Examinations (non-EITC) Report on this line the number of issues worked during the reporting period where you assisted taxpayers with a correspondence exam issue other than an EITC Exam, EITC Certification, or EITC Recertification. Office or field examination issues should be reported on line 14.

Line 14. Office or Field Examinations (non-EITC). Report on this line the number of issues worked during the reporting period where you assisted taxpayers with an office or field examination. An office or field examination involves a face-to-face meeting with an examiner or revenue agent. Examinations conducted through correspondence from an IRS campus are reported on line 13.

Line 15. Audit Reconsideration. Report on this line the number of issues worked during the reporting period where you assisted taxpayers with an audit reconsideration. An audit reconsideration is an IRS procedure designed to help taxpayers when they disagree with the results of an audit of their tax return or a return the IRS created for taxpayers because they did not file a tax return.

Line 16. Automated Substitute for Return (ASFR). Report on this line the number of issues worked during the reporting period where you assisted taxpayers with an ASFR assessment issue. This typically involves issues where the IRS determines the correct tax liability by computing tax, penalties, and interest, based upon Information Reporting Program (IRP) information submitted by payors, combined with other internally available information.

Line 17. Automated Underreporter (AUR). Report on this line the number of issues worked during the reporting period where you assisted taxpayers with an Automated Underreporter (AUR) Program issue. Taxpayers are typically notified of an AUR issue through CP 2000 notices. This process is part of the Information Reporting Program, where the IRS matches third-party information returns to identify income and deductions that do not appear to be reported on tax returns.

Line 18. Amended Returns. Report on this line the number of issues worked during the reporting period where you assisted taxpayers with a Form 1040X issue. Form 1040X is used to change the original return to include new information. (A filed return can include an SFR or an original return).

Line 19. Total Examination Issues. Add lines 11 through 18.

Part III. Miscellaneous Issues

Counting an Issue. During the course of working a case, count each issue once as it is identified and worked.

Line 20. Appeals. Report on this line the number of issues worked during the reporting period where you assisted taxpayers with an Appeals conference or hearing, except for CDP issues (report these on line 4) or CAP issues (report these on line 5).

Line 21. Claim for Refund or Request for Abatement. Report on this line the number of issues worked during the reporting period where you assisted taxpayers with a Form 843 issue. Form 843 is used to claim a refund or request an abatement of certain taxes, interest, penalty, and additions to tax.

Line 22. First-Time Homebuyer Credit. Report on this line the number of issues worked during the reporting period where you assisted taxpayers with any First-Time Homebuyer Credit issue.

Line 23. Relief from Joint and Several Liability (Innocent Spouse). Report on this line the number of issues worked during the reporting period where you assisted taxpayers with any innocent spouse relief issue, whether the relief was granted or not. Do not include on this line Injured Spouse issues; these issues should be reported on line 24.

Line 24. Injured Spouse Claim. Report on this line the number of issues worked during the reporting period where you assisted taxpayers with an injured spouse claim or issue. When a joint return is filed and the refund is applied toward the one spouse's past due debt and the other spouse (injured spouse) is not legally liable, the spouse who is not liable is the injured spouse.

Instructions for the 2011 Low Income Taxpayer Clinics (LITC) Supplemental Issues Form

Line 25. IRC § 6672 Trust Fund Recovery Penalty. Report on this line the number of issues worked during the reporting period where you assisted taxpayers with Trust Fund Recovery Penalty (TFRP) issues. The TFRP is a penalty provided by IRC section 6672 against any person required to collect, account for, and pay over taxes held in trust who willfully fails to perform any of these activities.

Line 26. Other Civil Penalties. Report on this line the number of issues worked during the reporting period where you assisted taxpayers with other civil penalties issues. Civil penalties can be assessed in several instances including, for failure to timely file a federal tax return, substantial understatement of tax, understating a reportable transaction, filing an erroneous claim for refund or credit, filing a frivolous tax submission, or failing to supply an SSN or individual taxpayer identification number.

Line 27. Identity Theft. Report on this line the number of issues worked during the reporting period where you assisted taxpayers who self-identified themselves as a victim of identity theft or received a letter or notice from the IRS that leads them to believe someone has used their social security number.

Line 28. Cancellation of Debt (COD). Report on this line the number of issues worked during the reporting period where you assisted taxpayers with a debt that was either cancelled or forgiven. This amount may be taxable depending on the circumstances.

Line 29. Individual Taxpayer Identification Numbers (ITINS). Report on this line the number of issues worked during the reporting period where you assisted taxpayers with the preparation or processing of ITIN applications.

Line 30. Nonfiler. Report on this line the number of issues worked during the reporting period where you assisted taxpayers who had a filing requirement for a previous year but failed to file their tax return(s).

Line 31. Determination of Worker Status (Form SS-8/Form 1099 Misc.). Report on this line the number of issues worked during the reporting period where you assisted taxpayers with employee vs. independent contractor issues.

Line 32. Total Miscellaneous Issues. Add lines 20 through 31.

Part IV. Other Issues

Counting an Issue. During the course of working a case, count each issue once as it is identified and worked.

For issues not listed on this form, indicate the specific issue and the number of times you worked that issue during the reporting period. If additional space is needed, attach a separate sheet of paper listing the reporting period, the issue, and the number of times the issue occurred. At the top of the separate sheet, identify your organization and the reporting period.

Line 33. Report on this line any issues that were not listed in Parts I, II, and III.

Line 34. Report on this line any issues that were not listed in Parts I, II, and III.

Line 35. Total Other Issues. Add lines 33, 34 and the total of issues reported on the separate sheet of paper, if applicable.